

1 July 1955

The Honorable Herbert Brownell  
Attorney General  
Department of Justice  
Washington 25, D. C.

Dear Herb:

I appreciate it that you brought to my attention a report which the Federal Bureau of Investigation received from a newspaper source and passed to you respecting an alleged recent meeting of high officials of the CIA. This report indicated that at this meeting CIA "agreed to allocate five million dollars to be expended in Korea for the purpose of creating incidents which would place Chiang Kai-shek in an unfavorable light and which subsequently could be used as a basis for swaying public opinion against the Chinese Nationalists to the end that Formosa could be placed under a United Nations trusteeship." The report further indicated that the source of this information considered "that it was very doubtful if Mr. Allen Dulles, Director of the Central Intelligence Agency, had any knowledge of this project which would come under Mr. Frank Wisner."

There is no basis whatever for this fantastic report. This Agency is following our national policy with regard to the support of Chiang Kai-shek and is not a party to any maneuver of any nature which would tend to weaken his cause or that of the Chinese Nationalists.

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Of course no such funds could be committed by the Agency without my personal knowledge and approval.

A similar report was brought to my attention some weeks ago by a distinguished Senator, and I gave him a similar statement as to its complete inaccuracy.

TOP SECRET #103818  
Copy #4

E. R.

**TOP SECRET**

We believe we know where this false report originated and consider it likely that it is being relayed to certain newspaper-men, including the FBI informer, in the hope that it will eventually be published.

I am enclosing an extra copy of this letter in case you should wish to pass it on to Mr. J. Edgar Hoover.

Sincerely yours,

SIGNED

Allen W. Dulles  
Director

AWD:hea

Distribution:

- # 1 & 2 — Orig & 1 cc — Addressee
- # 3 1 cc — DCI
- # 4 ER — 1 cc ✓

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**TOP SECRET**

DRAFT

30 June 1955

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The Honorable Herbert Brownell  
Attorney General  
Department of Justice  
Washington 25, D. C.

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I ~~sincerely~~ appreciate your ~~having~~ brought to my attention  
a report which the Federal Bureau of Investigation ~~had~~ received  
from a newspaper source ~~respecting~~ <sup>and passed to you</sup> an alleged recent meeting of  
high officials of the CIA. The ~~report you received~~ indicated that at  
this meeting CIA "agreed to allocate five million dollars to be expended  
in Korea for the purpose of creating incidents which would place  
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a United Nations trusteeship." The report further indicated that the  
source of this information considered "that it was very doubtful if  
Mr. Allen Dulles, Director of the Central Intelligence Agency, had  
any knowledge of this project which would come under Mr. Frank  
Wisner."

~~For the record I wish to assure you that~~ There is no basis  
whatever for the above report. This Agency is following our national  
policy with regard to the support of Chiang Kai-shek and is not a party

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mitted by the Agency without my knowledge and approval.

A similar report was brought to my attention some weeks  
ago by a distinguished Senator, and I gave him a similar statement  
as to its complete inaccuracy.

I am generally aware of the <sup>origins of this</sup> source from which these reports  
<sup>is</sup> stem, and believe I understand the reasons <sup>for</sup> motivation the spreading  
of <sup>such</sup> false information.

I am enclosing an extra copy of this letter in case you should  
wish to pass it on to Mr. J. Edgar Hoover.

Sincerely yours,

including the FBI  
informants

Allen W. Dulles  
Director

believe we

We know where this false  
report originated and <sup>probably</sup> believe it  
is being relayed to certain  
news paper men in the hope  
that it will be published  
eventually